

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NORTH CAROLINA
GREENVILLE DIVISION**

IN RE:

**CAH ACQUISITION COMPANY 7, LLC
d/b/a PRAGUE COMMUNITY HOSPITAL**

DEBTOR

CHAPTER 11

CASE NO: 19-01298-5-JNC

☐ Check if this is an amended filing

**MONTHLY REPORT OF CORPORATE DEBTOR IN
POSSESSION/TRUSTEE**

DATE PETITION WAS FILED: March 21, 2019

REPORTING PERIOD COVERED: September 1 - 30, 2020

I declare under penalty of perjury that the information contained in this report is true and correct to the best of my knowledge and belief:

DEBTOR:

Officer Name & Title: Thomas W. Waldrep, Jr., Trustee

Date: 10/21/2020 

Signature: s/Thomas W. Waldrep, Jr.

I have read the information in this report and the information contained herein is true and correct to the best of my knowledge and belief:

ATTORNEY FOR THE DEBTOR:

Printed Name: Jason L. Hendren Date: 10/21/2020

Signature: s/Jason L. Hendren

PART A: BUSINESS OPERATIONS

I. Summary of Business Operations:

1.) Please summarize the Debtor's business activities for the month:

On February 4, 2020, the Court entered an order approving the sale of the hospital. The Trustee completed the sale of the Debtor's assets on May 4, 2020. The Trustee is working with his counsel to prepare for Confirmation on November 18, 2020.

2.) Did the Debtor operate with a cash surplus or cash loss for the month? If the Debtor operated at a loss, please explain what affected profitability:

The Trustee completed the sale of the Debtor's assets, however, the Debtor collected some preclosing accounts receivable.

3.) Did the Debtor have any significant receipts or disbursements this month that were unusual or do not reoccur every month? For example, receipts would include insurance claim proceeds, tax refunds and funds from sale proceeds. Disbursements would include annual or quarterly insurance premiums, tax payments, large repairs, etc.:

(a) RECEIPTS –

None

(b) DISBURSEMENTS –

None

II. Summary of Chapter 11 Activities:

1.) Were any transactions this month outside of the ordinary course of business? For example, did the Debtor sell any property, receive a loan from a third party or make any large purchases? If yes, please describe:

None

2.) What steps has the Debtor taken toward reorganization or liquidation?

The Trustee filed a 2nd Amended Plan and Disclosure Statement on September 18, 2020. The Confirmation Hearing is set for November 18, 2020.

PART B: CERTIFICATIONS

- 1.) Is the Debtor current on all post-petition tax obligations? ☒ Yes ☐ No

If the Debtor checked **no**, please complete the chart below:

| Name of Taxing Authority | Amount Of Taxes Owed |
|---------------------------------|-----------------------------|
| | |
| | |
| | |
| | |
| | |

- 2.) Has the Debtor filed all necessary tax forms (e.g., 1040, 1120 and 941), coming due since the petition date? ☒ Yes ☐ No

If the Debtor checked **no**, please provide information regarding the tax forms that are currently unfiled:

- 3.) Is the Debtor current on all post-petition administrative expenses (excluding tax obligations)? ☐ Yes ☒ No

If the Debtor checked **no**, please complete the chart below:

| Name of Administrative Creditor | Amount Owed |
|--|--------------------|
| Waldrep LLP | \$ 192,944.00 |
| Hendren, Redwine & Malone | \$ 28,307.00 |
| Grant Thornton | \$ 294,213.00 |
| Spilman, Thomas & Battle | \$ 7,673.71 |
| Nexsen Pruet | \$ 4,026.00 |
| Arnett Cartis Toothman, LLP | \$ 125,875.00 |

- ☒

no.

-

no.

Name of Banking Institution

3911N

Vision Bank

8255N

Vision Bank

2458N

-

yes

Name of Unsecured Creditor

Amount Paid

- 7.) Did the Debtor deposit all sources of income into its DIP bank accounts this reporting period? ☐ Yes ☒ No

If the Debtor checked **no**, please detail where the estate funds were deposited, or (if not deposited), how the funds were disbursed:

The Debtor's income was deposited into US Bank #3911 and Vision Bank #2458.

- 8.) Did the Debtor pay any professionals (e.g., attorney or accountant) without prior Court approval this reporting period? ☐ Yes ☒ No

If the Debtor checked **yes**, please complete the chart below:

| Name of Professional | Amount Paid |
|----------------------|-------------|
| | |
| | |
| | |
| | |
| | |
| | |

- 9.) Did the Debtor sell or transfer any property outside of the ordinary course of business without prior Court approval during this reporting period? ☐ Yes ☒ No

If the Debtor checked **yes**, please provide additional information regarding the property that was sold or transferred:

10.) Did any person or entity pay any expenses or costs on behalf of the Debtor during this reporting period? ☐ Yes ☒ No

If the Debtor checked yes, please list all expenses paid on behalf of the Debtor, including the name of the person or entity who made the payments:

11.) Did the Debtor transfer any property to or for the benefit of an officer or insider of the Debtor, or a relative of an officer or insider of the Debtor during the reporting period (a transfer includes, but is not limited to, the payment of personal expenses, provision of non-court approved fringe benefits, purchase of items for a personal non-business purpose)? ☐ Yes ☒ No

If the Debtor checked yes, please list all expenses or costs the Debtor paid on behalf of any officer or insider of the Debtor, or on behalf of a relative of an officer or insider of the Debtor:

**PART C: SUMMARY OF CASH RECEIPTS
AND DISBURSEMENTS**

NATURE/TYPE OF ACCOUNT: ☐ Operating Account (Last 4 Digits: _____)
☐ Tax Account (Last 4 Digits: _____)
☐ Payroll Account (Last 4 Digits: _____)
☒ Trustee's Account (Last 4 Digits: 5082)

AMOUNT:

1. CASH BALANCE FROM PREVIOUS MONTH'S REPORT: \$ 901,107.38
2. TOTAL RECEIPTS/TRANSFERS/UNCLEARED: \$ 265,246.88
[On following page- ***EXHIBIT 1***
- provide a description of the source and amount]
3. TOTAL DISBURSEMENTS/TRANSFERS/UNCLEARED: \$ 0.00
[On following page- ***EXHIBIT 2***
- provide a description of the disbursements]
4. ENDING RECONCILED BALANCE: \$ 1,166,354.26

SUMMARY OF BANK ACCOUNT INFORMATION

5. ENDING BANK BALANCE: \$ 1,166,354.26
6. PLUS UNCLEARED DEPOSITS \$ 0.00
7. LESS UNCLEARED CHECKS \$ 0.00
8. ENDING RECONCILED BALANCE: *\$ 1,166,354.26

*If item #4 differs from Item #8, please explain:

EXHIBIT 1

DESCRIPTION/ITEMIZATION OF RECEIPTS (Last 4 Digits of Acct # 5082)

| RECEIPTS: | AMOUNT: |
|--|--|
| | |
| Sales | \$ |
| Rental Income | \$ |
| Collection of post-petition accounts receivable | \$ |
| Collection of pre-petition accounts receivable | \$ |
| Borrowing by Debtor (list sources below): (a) _____ (b) _____ (c) _____ | (list amounts below): (a) _____ (b) _____ (c) _____ <div style="text-align: right;">Total = \$ 0.00</div> |
| Transfers from other accounts (list last 4 digits of account numbers below): (a) _____ (b) _____ (c) _____ | (list amounts below): (a) _____ (b) _____ (c) _____ <div style="text-align: right;">Total = \$ 0.00</div> |
| Other forms of income/deposits (list sources below): (a) From Vision Bank #2458 (b) Misc. Deposit (c) _____ | (list amounts below): (a) \$ 265,065.08 (b) \$ 181.80 (c) _____ <div style="text-align: right;">Total = \$ 265,246.88</div> |
| Less allowance for returns and discounts | \$ |

➔ *TOTAL = **\$ 265,246.88**

*Total equals item #2 (Total Cash Receipts) on Part C.

EXHIBIT 2**DESCRIPTION/ITEMIZATION OF DISBURSEMENTS (Last 4 Digits of Acct # 5082)**

| DISBURSEMENTS: | AMOUNT: |
|---|---|
| | |
| Payments to Secured Creditors | \$ |
| Purchases of Inventory | \$ |
| Net Payroll (excluding officer compensation) | \$ |
| Officer Compensation | \$ |
| Subcontractors and Contract Workers | \$ |
| Payroll Taxes | \$ |
| Sales Tax | \$ |
| Property Taxes | \$ |
| Supplies and Materials | \$ |
| Real Property Lease Payments | \$ |
| Vehicle & Equipment Lease Payments | \$ |
| Utilities (Telephone, Electricity, Water, Other) | \$ |
| Travel and Entertainment | \$ |
| Meal and Food Costs | \$ |
| Transportation Costs (e.g., fuel, tolls, parking) | \$ |
| Vehicle Maintenance and Repairs Costs | \$ |
| Equipment Repair Costs | \$ |
| Real Property Repairs and Maintenance Costs | \$ |
| Vehicle Insurance Premiums | \$ |
| Life and Health Insurance Premiums | \$ |
| Real Property Insurance Premiums | \$ |
| Other Insurance Premiums | \$ |
| Office Supplies IT costs | \$ |
| Freight and Shipping Costs | \$ |
| Advertising and Marketing | \$ |
| Professional Fees (e.g., Attorney, Accountant) | \$ |
| Quarterly Fees | \$ |
| Transfers to other accounts (list last 4 digits of account numbers below): <div style="margin-left: 40px;"> (a) _____ (b) _____ (c) _____ </div> | (list amounts below): <div style="margin-left: 40px;"> (a) _____ (b) _____ (c) _____ Total = \$ 0.00 </div> |
| Other (PROVIDE ATTACHMENT) | \$ |

➔ ***TOTAL = \$ 0.00**

***Total equals item #3 (Total Cash Disbursements) on Part C.**

**SUMMARY OF CASH RECEIPTS
AND DISBURSEMENTS**

NATURE/TYPE OF ACCOUNT: ☐ Operating Account (Last 4 Digits: _____)
☐ Tax Account (Last 4 Digits: _____)
☐ Payroll Account (Last 4 Digits: _____)
☒ US Bank Account (Last 4 Digits: 3911)

AMOUNT:

1. CASH BALANCE FROM PREVIOUS MONTH'S REPORT: \$ 614.09
2. TOTAL RECEIPTS/TRANSFERS/UNCLEARED: \$ 7,386.66
[On following page- ***EXHIBIT 1***
- provide a description of the source and amount]
3. TOTAL DISBURSEMENTS/TRANSFERS/UNCLEARED: \$ 1,039.38
[On following page- ***EXHIBIT 2***
- provide a description of the disbursements]
4. ENDING RECONCILED BALANCE: \$ 6,961.37

SUMMARY OF BANK ACCOUNT INFORMATION

5. ENDING BANK BALANCE: \$ 6,961.37
6. PLUS UNCLEARED DEPOSITS \$ 0.00
7. LESS UNCLEARED CHECKS \$ 0.00
8. ENDING RECONCILED BALANCE: *\$ 6,961.37

*If item #4 differs from Item #8, please explain:

EXHIBIT 1

DESCRIPTION/ITEMIZATION OF RECEIPTS (Last 4 Digits of Acct # 3911)

| RECEIPTS: | AMOUNT: |
|---|--|
| | |
| Sales | \$ |
| Rental Income | \$ |
| Collection of post-petition accounts receivable | \$7,386.66 |
| Collection of pre-petition accounts receivable | \$ |
| Borrowing by Debtor (list sources below): (a) _____ (b) _____ (c) _____ | (list amounts below): (a) _____ (b) _____ (c) _____ <div style="text-align: right;">Total = \$ 0.00</div> |
| Transfers from other accounts (list last 4 digits of account numbers below): (a) _____ (b) _____ (c) _____ | (list amounts below): (a) _____ (b) _____ (c) _____ <div style="text-align: right;">Total = \$ 0.00</div> |
| Other forms of income/deposits (list sources below): (a) _____ (b) _____ (c) _____ | (list amounts below): (a) _____ (b) _____ (c) _____ <div style="text-align: right;">Total = \$ 0.00</div> |
| Less allowance for returns and discounts | \$ |

➔ *TOTAL = **\$ 7,386.66** _____

***Total equals item #2 (Total Cash Receipts) on Part C.**

EXHIBIT 2**DESCRIPTION/ITEMIZATION OF DISBURSEMENTS (Last 4 Digits of Acct # 3911)**

| DISBURSEMENTS: | AMOUNT: |
|--|-------------------|
| | |
| Payments to Secured Creditors | \$ |
| Purchases of Inventory | \$ |
| Net Payroll (excluding officer compensation) | \$ |
| Officer Compensation | \$ |
| Subcontractors and Contract Workers | \$ |
| Payroll Taxes | \$ |
| Sales Tax | \$ |
| Property Taxes | \$ |
| Supplies and Materials | \$ |
| Real Property Lease Payments | \$ |
| Vehicle & Equipment Lease Payments | \$ |
| Utilities (Telephone, Electricity, Water, Other) | \$ |
| Travel and Entertainment | \$ |
| Meal and Food Costs | \$ |
| Transportation Costs (e.g., fuel, tolls, parking) | \$ |
| Vehicle Maintenance and Repairs Costs | \$ |
| Equipment Repair Costs | \$ |
| Real Property Repairs and Maintenance Costs | \$ |
| Vehicle Insurance Premiums | \$ |
| Life and Health Insurance Premiums | \$ |
| Real Property Insurance Premiums | \$ |
| Other Insurance Premiums | \$ |
| Office Supplies | \$ |
| Freight and Shipping Costs | \$ |
| Advertising and Marketing | \$ |
| Professional Fees (e.g., Attorney, Accountant) | \$ |
| Quarterly Fees | \$ |
| Transfers to other accounts (list last 4 digits of account numbers below): <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> (a) _____ (b) _____ (c) _____ </div> <div style="width: 45%;"> (list amounts below): (a) _____ (b) _____ (c) _____ Total = \$ 0.00 </div> </div> | |
| Other (PROVIDE ATTACHMENT) | \$1,039.38 |

➔ ***TOTAL = \$ 1,039.38**

***Total equals item #3 (Total Cash Disbursements) on Part C.**

**SUMMARY OF CASH RECEIPTS
AND DISBURSEMENTS**

NATURE/TYPE OF ACCOUNT: ☐ Operating Account (Last 4 Digits: _____)
☐ Tax Account (Last 4 Digits: _____)
☐ Payroll Account (Last 4 Digits: _____)
☒ Vision Account (Last 4 Digits: 8255)

AMOUNT:

1. CASH BALANCE FROM PREVIOUS MONTH'S REPORT: **\$ 4,242.08**
2. TOTAL RECEIPTS/TRANSFERS/UNCLEARED: **\$ 0.00**
[On following page- ***EXHIBIT 1***
- provide a description of the source and amount]
3. TOTAL DISBURSEMENTS/TRANSFERS/UNCLEARED: **\$ 0.00**
[On following page- ***EXHIBIT 2***
- provide a description of the disbursements]
4. ENDING RECONCILED BALANCE: **\$ 4,242.08**

SUMMARY OF BANK ACCOUNT INFORMATION

5. ENDING BANK BALANCE: **\$ 4,242.08**
6. PLUS UNCLEARED DEPOSITS **\$ 0.00**
7. LESS UNCLEARED CHECKS **\$ 0.00**
8. ENDING RECONCILED BALANCE: ***\$ 4,242.08**

*If item #4 differs from Item #8, please explain:

EXHIBIT 1

DESCRIPTION/ITEMIZATION OF RECEIPTS (Last 4 Digits of Acct # 8255)

| RECEIPTS: | AMOUNT: |
|---|--|
| | |
| Sales | \$ |
| Rental Income | \$ |
| Collection of post-petition accounts receivable | \$ |
| Collection of pre-petition accounts receivable | \$ |
| Borrowing by Debtor (list sources below): (a) _____ (b) _____ (c) _____ | (list amounts below): (a) _____ (b) _____ (c) _____ Total = \$ 0.00 |
| Transfers from other accounts (list last 4 digits of account numbers below): (a) _____ (b) _____ (c) _____ | (list amounts below): (a) _____ (b) _____ (c) _____ Total = \$ 0.00 |
| Other forms of income/deposits (list sources below): (a) _____ (b) _____ (c) _____ | (list amounts below): (a) _____ (b) _____ (c) _____ Total = \$ 0.00 |
| Less allowance for returns and discounts | \$ |

➔ *TOTAL = \$ 0.00

***Total equals item #2 (Total Cash Receipts) on Part C.**

EXHIBIT 2**DESCRIPTION/ITEMIZATION OF DISBURSEMENTS (Last 4 Digits of Acct # 8255)**

| DISBURSEMENTS: | AMOUNT: |
|--|----------------|
| | |
| Payments to Secured Creditors | \$ |
| Purchases of Inventory | \$ |
| Net Payroll (excluding officer compensation) | \$ |
| Officer Compensation | \$ |
| Subcontractors and Contract Workers | \$ |
| Payroll Taxes | \$ |
| Sales Tax | \$ |
| Property Taxes | \$ |
| Supplies and Materials | \$ |
| Real Property Lease Payments | \$ |
| Vehicle & Equipment Lease Payments | \$ |
| Utilities (Telephone, Electricity, Water, Other) | \$ |
| Travel and Entertainment | \$ |
| Meal and Food Costs | \$ |
| Transportation Costs (e.g., fuel, tolls, parking) | \$ |
| Vehicle Maintenance and Repairs Costs | \$ |
| Equipment Repair Costs | \$ |
| Real Property Repairs and Maintenance Costs | \$ |
| Vehicle Insurance Premiums | \$ |
| Life and Health Insurance Premiums | \$ |
| Real Property Insurance Premiums | \$ |
| Other Insurance Premiums | \$ |
| Office Supplies | \$ |
| Freight and Shipping Costs | \$ |
| Advertising and Marketing | \$ |
| Professional Fees (e.g., Attorney, Accountant) | \$ |
| Quarterly Fees | \$ |
| Transfers to other accounts (list last 4 digits of account numbers below): <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> (a) _____ (b) _____ (c) _____ </div> <div style="width: 45%;"> (list amounts below): (a) _____ (b) _____ (c) _____ Total = \$ 0.00 </div> </div> | |
| Other (PROVIDE ATTACHMENT) | \$ |

➔ ***TOTAL = \$ 0.00**

***Total equals item #3 (Total Cash Disbursements) on Part C.**

**SUMMARY OF CASH RECEIPTS
AND DISBURSEMENTS**

NATURE/TYPE OF ACCOUNT: ☐ Operating Account (Last 4 Digits: _____)
☐ Tax Account (Last 4 Digits: _____)
☐ Payroll Account (Last 4 Digits: _____)
☒ Cohesive's Account (Last 4 Digits: 2458)

AMOUNT:

1. CASH BALANCE FROM PREVIOUS MONTH'S REPORT: **\$ 351,571.44**
2. TOTAL RECEIPTS/TRANSFERS/UNCLEARED: **\$ 16,175.85**
[On following page- ***EXHIBIT 1***
- provide a description of the source and amount]
3. TOTAL DISBURSEMENTS/TRANSFERS/UNCLEARED: **\$ 357,030.64**
[On following page- ***EXHIBIT 2***
- provide a description of the disbursements]
4. ENDING RECONCILED BALANCE: **\$ 10,716.65**

SUMMARY OF BANK ACCOUNT INFORMATION

5. ENDING BANK BALANCE: **\$ 10,716.65**
6. PLUS UNCLEARED DEPOSITS **\$ 0.00**
7. LESS UNCLEARED CHECKS **\$ 0.00**
8. ENDING RECONCILED BALANCE: ***\$ 10,716.65**

*If item #4 differs from Item #8, please explain:

EXHIBIT 1

DESCRIPTION/ITEMIZATION OF RECEIPTS (Last 4 Digits of Acct # 2458)

| RECEIPTS: | AMOUNT: |
|---|--|
| | |
| Sales | \$16,175.85 |
| Rental Income | \$ |
| Collection of post-petition accounts receivable | \$ |
| Collection of pre-petition accounts receivable | \$ |
| Borrowing by Debtor (list sources below): (a) _____ (b) _____ (c) _____ | (list amounts below): (a) _____ (b) _____ (c) _____ <div style="text-align: right;">Total = \$ 0.00</div> |
| Transfers from other accounts (list last 4 digits of account numbers below): (a) _____ (b) _____ (c) _____ | (list amounts below): (a) _____ (b) _____ (c) _____ <div style="text-align: right;">Total = \$ 0.00</div> |
| Other forms of income/deposits (list sources below): (a) _____ (b) _____ (c) _____ | (list amounts below): (a) _____ (b) _____ (c) _____ <div style="text-align: right;">Total = \$ 0.00</div> |
| Less allowance for returns and discounts | \$ |

➔ *TOTAL = \$ 16,175.85

***Total equals item #2 (Total Cash Receipts) on Part C.**

EXHIBIT 2**DESCRIPTION/ITEMIZATION OF DISBURSEMENTS (Last 4 Digits of Acct # 2458)**

| DISBURSEMENTS: | AMOUNT: |
|--|------------------------------|
| | |
| Payments to Secured Creditors | \$ |
| Purchases of Inventory | \$ |
| Net Payroll (excluding officer compensation) | \$ |
| Officer Compensation | \$ |
| Subcontractors and Contract Workers | \$ |
| Payroll Taxes | \$ |
| Sales Tax | \$ |
| Property Taxes | \$ |
| Supplies and Materials | \$ |
| Real Property Lease Payments | \$ |
| Vehicle & Equipment Lease Payments | \$ |
| Utilities (Telephone, Electricity, Water, Other) | \$ |
| Travel and Entertainment | \$ |
| Meal and Food Costs | \$ |
| Transportation Costs (e.g., fuel, tolls, parking) | \$ |
| Vehicle Maintenance and Repairs Costs | \$ |
| Equipment Repair Costs | \$ |
| Real Property Repairs and Maintenance Costs | \$ |
| Vehicle Insurance Premiums | \$ |
| Life and Health Insurance Premiums | \$ |
| Real Property Insurance Premiums | \$ |
| Other Insurance Premiums | \$ |
| Office Supplies | \$ |
| Freight and Shipping Costs | \$ |
| Advertising and Marketing | \$ |
| Professional Fees (e.g., Attorney, Accountant) | \$ |
| Quarterly Fees | \$ |
| Transfers to other accounts (list last 4 digits of account numbers below): | (list amounts below): |
| (a) <u>Transfer to buyer</u> | (a) <u>\$ 91,946.56</u> |
| (b) <u>Transfer to Trustee</u> | (b) <u>\$ 265,065.08</u> |
| (c) _____ | (c) _____ |
| | Total = \$ 357,011.64 |
| Other (PROVIDE ATTACHMENT) | \$ 19.00 |

→ *TOTAL = \$ 357,030.64

*Total equals item #3 (Total Cash Disbursements) on Part C.

**SUMMARY OF CASH RECEIPTS
AND DISBURSEMENTS**

NATURE/TYPE OF ACCOUNT: ☐ Operating Account (Last 4 Digits: _____)
☐ Tax Account (Last 4 Digits: _____)
☐ Payroll Account (Last 4 Digits: _____)
☒ Trustee Account (Last 4 Digits: 4826)

AMOUNT:

1. CASH BALANCE FROM PREVIOUS MONTH'S REPORT: **\$ 399,990.00**
2. TOTAL RECEIPTS/TRANSFERS/UNCLEARED: **\$ 10.00**
[On following page- ***EXHIBIT 1***
- provide a description of the source and amount]
3. TOTAL DISBURSEMENTS/TRANSFERS/UNCLEARED: **\$ 0.00**
[On following page- ***EXHIBIT 2***
- provide a description of the disbursements]
4. ENDING RECONCILED BALANCE: **\$ 400,000.00**

SUMMARY OF BANK ACCOUNT INFORMATION

5. ENDING BANK BALANCE: **\$ 400,000.00**
6. PLUS UNCLEARED DEPOSITS **\$ 0.00**
7. LESS UNCLEARED CHECKS **\$ 0.00**
8. ENDING RECONCILED BALANCE: ***\$ 400,000.00**

*If item #4 differs from Item #8, please explain:

EXHIBIT 1

DESCRIPTION/ITEMIZATION OF RECEIPTS (Last 4 Digits of Acct # 4826)

| RECEIPTS: | AMOUNT: |
|---|---|
| | |
| Sales | \$ |
| Rental Income | \$ |
| Collection of post-petition accounts receivable | \$ |
| Collection of pre-petition accounts receivable | \$ |
| Borrowing by Debtor (list sources below): (a) _____ (b) _____ (c) _____ | (list amounts below): (a) _____ (b) _____ (c) _____ <div style="text-align: right;">Total = \$ 0.00</div> |
| Transfers from other accounts (list last 4 digits of account numbers below): (a) _____ (b) _____ (c) _____ | (list amounts below): (a) _____ (b) _____ (c) _____ <div style="text-align: right;">Total = \$ 0.00</div> |
| Other forms of income/deposits (list sources below): (a) Bank fee reimbursement _____ (b) _____ (c) _____ | (list amounts below): (a) \$ 10.00 _____ (b) _____ (c) _____ <div style="text-align: right;">Total = \$ 10.00</div> |
| Less allowance for returns and discounts | \$ |

➔ *TOTAL = **\$ 10.00** _____

***Total equals item #2 (Total Cash Receipts) on Part C.**

EXHIBIT 2**DESCRIPTION/ITEMIZATION OF DISBURSEMENTS (Last 4 Digits of Acct # 4826)**

| DISBURSEMENTS: | AMOUNT: |
|--|----------------|
| | |
| Payments to Secured Creditors | \$ |
| Purchases of Inventory | \$ |
| Net Payroll (excluding officer compensation) | \$ |
| Officer Compensation | \$ |
| Subcontractors and Contract Workers | \$ |
| Payroll Taxes | \$ |
| Sales Tax | \$ |
| Property Taxes | \$ |
| Supplies and Materials | \$ |
| Real Property Lease Payments | \$ |
| Vehicle & Equipment Lease Payments | \$ |
| Utilities (Telephone, Electricity, Water, Other) | \$ |
| Travel and Entertainment | \$ |
| Meal and Food Costs | \$ |
| Transportation Costs (e.g., fuel, tolls, parking) | \$ |
| Vehicle Maintenance and Repairs Costs | \$ |
| Equipment Repair Costs | \$ |
| Real Property Repairs and Maintenance Costs | \$ |
| Vehicle Insurance Premiums | \$ |
| Life and Health Insurance Premiums | \$ |
| Real Property Insurance Premiums | \$ |
| Other Insurance Premiums | \$ |
| Office Supplies | \$ |
| Freight and Shipping Costs | \$ |
| Advertising and Marketing | \$ |
| Professional Fees (e.g., Attorney, Accountant) | \$ |
| Quarterly Fees | \$ |
| Transfers to other accounts (list last 4 digits of account numbers below): <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> (a) _____ (b) _____ (c) _____ </div> <div style="width: 45%;"> (list amounts below): (a) _____ (b) _____ (c) _____ Total = \$ 0.00 </div> </div> | |
| Other (PROVIDE ATTACHMENT) | \$ |

➔ ***TOTAL = \$ 0.00**

***Total equals item #3 (Total Cash Disbursements) on Part C.**

**SUMMARY OF CASH RECEIPTS
AND DISBURSEMENTS**

NATURE/TYPE OF ACCOUNT: ☐ Operating Account (Last 4 Digits: _____)
☐ Tax Account (Last 4 Digits: _____)
☐ Payroll Account (Last 4 Digits: _____)
☒ Stimulus Funds (Last 4 Digits: 5784)

AMOUNT:

1. CASH BALANCE FROM PREVIOUS MONTH'S REPORT: **\$ 3,206,678.63**
2. TOTAL RECEIPTS/TRANSFERS/UNCLEARED: **\$ 0.00**
[On following page- ***EXHIBIT 1***
- provide a description of the source and amount]
3. TOTAL DISBURSEMENTS/TRANSFERS/UNCLEARED: **\$ 0.00**
[On following page- ***EXHIBIT 2***
- provide a description of the disbursements]
4. ENDING RECONCILED BALANCE: **\$ 3,206,678.63**

SUMMARY OF BANK ACCOUNT INFORMATION

5. ENDING BANK BALANCE: **\$ 3,206,678.63**
6. PLUS UNCLEARED DEPOSITS **\$ 0.00**
7. LESS UNCLEARED CHECKS **\$ 0.00**
8. ENDING RECONCILED BALANCE: ***\$ 3,206,678.63**

*If item #4 differs from Item #8, please explain:

EXHIBIT 1

DESCRIPTION/ITEMIZATION OF RECEIPTS (Last 4 Digits of Acct # 5784)

| RECEIPTS: | AMOUNT: |
|---|--|
| | |
| Sales | \$ |
| Rental Income | \$ |
| Collection of post-petition accounts receivable | \$ |
| Collection of pre-petition accounts receivable | \$ |
| Borrowing by Debtor (list sources below): (a) _____ (b) _____ (c) _____ | (list amounts below): (a) _____ (b) _____ (c) _____ Total = \$ 0.00 |
| Transfers from other accounts (list last 4 digits of account numbers below): (a) _____ (b) _____ (c) _____ | (list amounts below): (a) _____ (b) _____ (c) _____ Total = \$ 0.00 |
| Other forms of income/deposits (list sources below): (a) _____ (b) _____ (c) _____ | (list amounts below): (a) _____ (b) _____ (c) _____ Total = \$ 0.00 |
| Less allowance for returns and discounts | \$ |

➔ *TOTAL = **\$ 0.00**

***Total equals item #2 (Total Cash Receipts) on Part C.**

EXHIBIT 2**DESCRIPTION/ITEMIZATION OF DISBURSEMENTS (Last 4 Digits of Acct # 5784)**

| DISBURSEMENTS: | AMOUNT: |
|--|----------------|
| | |
| Payments to Secured Creditors | \$ |
| Purchases of Inventory | \$ |
| Net Payroll (excluding officer compensation) | \$ |
| Officer Compensation | \$ |
| Subcontractors and Contract Workers | \$ |
| Payroll Taxes | \$ |
| Sales Tax | \$ |
| Property Taxes | \$ |
| Supplies and Materials | \$ |
| Real Property Lease Payments | \$ |
| Vehicle & Equipment Lease Payments | \$ |
| Utilities (Telephone, Electricity, Water, Other) | \$ |
| Travel and Entertainment | \$ |
| Meal and Food Costs | \$ |
| Transportation Costs (e.g., fuel, tolls, parking) | \$ |
| Vehicle Maintenance and Repairs Costs | \$ |
| Equipment Repair Costs | \$ |
| Real Property Repairs and Maintenance Costs | \$ |
| Vehicle Insurance Premiums | \$ |
| Life and Health Insurance Premiums | \$ |
| Real Property Insurance Premiums | \$ |
| Other Insurance Premiums | \$ |
| Office Supplies | \$ |
| Freight and Shipping Costs | \$ |
| Advertising and Marketing | \$ |
| Professional Fees (e.g., Attorney, Accountant) | \$ |
| Quarterly Fees | \$ |
| Transfers to other accounts (list last 4 digits of account numbers below): <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> (a) _____ (b) _____ (c) _____ </div> <div style="width: 45%;"> (list amounts below): (a) _____ (b) _____ (c) _____ Total = \$ 0.00 </div> </div> | |
| Other (PROVIDE ATTACHMENT) | \$ |

➔ ***TOTAL = \$ 0.00**

***Total equals item #3 (Total Cash Disbursements) on Part C.**

PART D: SUMMARY OF ACCOUNT RECEIVABLES

| | <u>AMOUNT:</u> |
|---|------------------------|
| 1. Beginning Balance | \$ <u>1,287,324.83</u> |
| 2. Sales on Account | \$ <u>2,857,293.80</u> |
| 3. Collections on Account | \$ <u>3,551,819.57</u> |
| 4. Ending Balance [Item #1 plus #2 minus #3] | \$ <u>592,799.06</u> |

STATUS OF COLLECTIONS:

| | <u>AMOUNT:</u> |
|--------------------|-----------------------|
| Current to 30 days | \$ _____ |
| 31 to 60 days | \$ _____ |
| 61 to 90 days | \$ _____ |
| 91 to 120 days | \$ _____ |
| 121 days and older | \$ _____ |
| TOTAL: | \$ _____ |

PART E: SUMMARY OF ACCOUNTS PAYABLE

[EXCLUDING PRE-PETITION ACCOUNTS PAYABLE]

| | <u>AMOUNT:</u> |
|--------------------|----------------------------|
| Current to 30 days | \$ <u>274,225.33</u> |
| 31 to 60 days | \$ <u>282,139.90</u> |
| 61 to 90 days | \$ <u>186,395.31</u> |
| 91 to 120 days | \$ <u>186,547.52</u> |
| 121 days and older | \$ <u>1,744,055.86</u> |
| TOTAL: | \$ <u>2,673,363.92</u> |

If there are payables outstanding greater than 60 days, please provide an explanation:

The accounts payable listed are as of the closing date. The majority of the payables are for Cohesive's management fees.

PART F: STATUS OF PAYMENTS TO SECURED CREDITORS

Instructions: List all secured creditors and collateral descriptions, regardless if payments are made

☐ Check if this form is not applicable to the Debtor

| | |
|--|--|
| Creditor Name: | First Financial Corporate Leasing |
| Description of Collateral: | Blanket Lien on Accounts |
| Amount Paid this Month: | \$ 0.00 |
| Payment Pursuant to Bankruptcy Court Order? | |
| Creditor Name: | HMC/CAH Note Acquisition, LLC |
| Description of Collateral: | Blanket Lien on Accounts |
| Amount Paid this Month: | \$ 0.00 |
| Payment Pursuant to Bankruptcy Court Order? | |
| Creditor Name: | GEL Funding, LLC |
| Description of Collateral: | Blanket Lien |
| Amount Paid this Month: | \$ 0.00 |
| Payment Pursuant to Bankruptcy Court Order? | |
| Creditor Name: | Johnson & Johnson Finance Corp |
| Description of Collateral: | Ortho clinical diagnostic ECIQ analyzer |
| Amount Paid this Month: | \$ 0.00 |
| Payment Pursuant to Bankruptcy Court Order? | |

STATUS OF PAYMENTS TO SECURED CREDITORS

| | |
|--|--|
| Creditor Name: | |
| Description of Collateral: | |
| Amount Paid this Month: | |
| Payment Pursuant to Bankruptcy Court Order? | |
| | |
| Creditor Name: | |
| Description of Collateral: | |
| Amount Paid this Month: | |
| Payment Pursuant to Bankruptcy Court Order? | |
| | |
| Creditor Name: | |
| Description of Collateral: | |
| Amount Paid this Month: | |
| Payment Pursuant to Bankruptcy Court Order? | |
| | |
| Creditor Name: | |
| Description of Collateral: | |
| Amount Paid this Month: | |
| Payment Pursuant to Bankruptcy Court Order? | |
| | |
| Creditor Name: | |
| Description of Collateral: | |
| Amount Paid this Month: | |
| Payment Pursuant to Bankruptcy Court Order? | |
| | |

PART G: STATUS OF PAYMENTS TO LESSORS*Instructions: List all lessors and description of leased property, regardless if payments are made*☐ Check if this form is not applicable to the Debtor

| | |
|--|------------------------------------|
| Lessor Name: | City of Prague |
| Description of Leased Property: | Building Lease |
| Amount Paid this Month: | \$ 0.00 |
| Is Lease Current? | |
| | |
| Lessor Name: | Standley Systems |
| Description of Leased Property: | Vehicle and Equipment Lease |
| Amount Paid this Month: | \$ 0.00 |
| Is Lease Current? | |
| | |
| Lessor Name: | Beckman Coulter |
| Description of Leased Property: | Vehicle and Equipment Lease |
| Amount Paid this Month: | \$ 0.00 |
| Is Lease Current? | |
| | |
| Lessor Name: | Hospital Equipment Rental |
| Description of Leased Property: | Vehicle and Equipment Lease |
| Amount Paid this Month: | \$ 0.00 |
| Is Lease Current? | |
| | |

STATUS OF PAYMENTS TO LESSORS

| | |
|--|--|
| Lessor Name: | Prague Self Storage |
| Description of Leased Property: | Property Lease Payment |
| Amount Paid this Month: | \$ 0.00 |
| Is Lease Current? | |
| | |
| Lessor Name: | Industrial Weldin & Tool Supply |
| Description of Leased Property: | Vehicle and Equipment Lease Payment-Acct Prepay |
| Amount Paid this Month: | \$ 0.00 |
| Is Lease Current? | |
| | |
| Lessor Name: | Intelligent Power Solutions |
| Description of Leased Property: | Vehicle and Equipment Lease |
| Amount Paid this Month: | \$ 0.00 |
| Is Lease Current? | |
| | |
| Lessor Name: | Farnam Financial |
| Description of Leased Property: | Lab/dietary equipment |
| Amount Paid this Month: | \$ 0.00 |
| Is Lease Current? | |
| | |
| Lessor Name: | US Med Equipment |
| Description of Leased Property: | BiPAP/Vent Rental |
| Amount Paid this Month: | \$ 0.00 |
| Is Lease Current? | |
| | |

STATUS OF PAYMENTS TO LESSORS

| | |
|--|----------------------------|
| Lessor Name: | Auto-Chlor |
| Description of Leased Property: | Dishwasher |
| Amount Paid this Month: | \$ 0.00 |
| Is Lease Current? | |
| | |
| Lessor Name: | Werfen |
| Description of Leased Property: | lab equipment lease |
| Amount Paid this Month: | \$ 0.00 |
| Is Lease Current? | |
| | |
| Lessor Name: | Sizewise |
| Description of Leased Property: | patient bed rental |
| Amount Paid this Month: | \$ 0.00 |
| Is Lease Current? | |
| | |
| Lessor Name: | |
| Description of Leased Property: | |
| Amount Paid this Month: | |
| Is Lease Current? | |
| | |
| Lessor Name: | |
| Description of Leased Property: | |
| Amount Paid this Month: | |
| Is Lease Current? | |
| | |

PART H: SUMMARY OF OFFICER/OWNER COMPENSATION, PROPERTY SALES AND PROFESSIONAL FEE PAYMENTS

1.) REPORT ALL COMPENSATION PAID TO ANY OFFICER OR OWNER THIS MONTH:

☒ Check if no officer compensation was paid this month

| Name of Officer/Owner of the Debtor | Monthly Compensation Authorized by the Court | Compensation Received this Month |
|--|---|---|
| | | |
| | | |
| | | |
| | | |

2.) PROPERTY SALE REPORT:

☒ Check if the Debtor did not sell any property this month

| Description of Property Sold | Date Property Sold | Gross Sale Proceeds | Net Sale Proceeds Paid to Debtor |
|-------------------------------------|-------------------------------|--------------------------------|---|
| | | | |
| | | | |
| | | | |
| | | | |

3.) REPORT OF ALL PAYMENTS MADE TO PROFESSIONALS THIS MONTH:

☒ Check if the Debtor did not pay any professionals this month

| Name of Professional | Date Compensation Approved | Compensation Authorized by the Court | Compensation Received this Month |
|-----------------------------|---|---|---|
| | | | |
| | | | |
| | | | |
| | | | |

PART I: CHAPTER 11 QUARTERLY FEES

DISBURSEMENTS INCLUDE: Sum total of all disbursements from all of the Debtor's bank accounts – **and** – payments made on behalf of the Debtor. Disbursements do not include transfers between the Debtor's accounts. Quarterly fees are not prorated.

Calculating the Fee: Use the table on the following page to compute the Amount of Fee Due for each quarter. Payment of quarterly fees should be submitted to Debtor's attorney, and then Debtor's attorney should submit the payment through **www.pay.gov**.

3rd Quarter:

| | <u>Disbursements made by Debtor</u> | | <u>Disbursements made on behalf of Debtor</u> |
|------------------------------|---|---|---|
| Disbursements for July: | <u>\$ 816.78</u> | + | <u> </u> |
| Disbursements for August: | <u>\$ 14,795.19</u> | + | <u> </u> |
| Disbursements for September: | <u>\$ 1,058.38</u> | + | <u> </u> |
| <u>TOTAL:</u> | <u>\$ 16,670.35</u> | + | <u>\$ 0.00</u> |

TOTAL DISBURSEMENTS: \$ 16,670.35

Amount of Fee Due: \$ 650.00

Amount of Fee Paid: \$ 650.00

| Total Disbursements for the Quarter | Amount of Fee Due |
|--|---|
| \$0 to \$14,999.00 | \$325.00 |
| \$15,000.00 to \$74,999.99 | \$650.00 |
| \$75,000.00 to \$149,999.99 | \$975.00 |
| \$150,000.00 to \$224,999.99 | \$1,625.00 |
| \$225,000.00 to \$299,999.99 | \$1,950.00 |
| \$300,000.00 to \$999,999.99 | \$4,875.00 |
| Total disbursements are equal to or greater than \$1,000,000.00 | 1% of total disbursements or \$250,000.00, whichever is less |

Unpaid Administrative Claims:

Parker Hudson: \$30,821.00

SAK Management Services: \$33,305.00

Greenberg Traug, LLP: \$5,033.00

Cohesive Healthcare Management & Consulting, LLC: \$105,738.85

Waldrep, LLP (Trustee fees): \$282,790.98

Sherwood Partners: \$19,719.00